



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

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## Vietnam

### Grain and Feed

### Weekly Rice Update

**2004**

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**Report Highlights:** Vietnam rice exporters and Government authorities are struggling to balance their export and domestic need in a market, which appears to have a shortage of export-quality rice to fulfill signed contracts. Reportedly, rice stocks are also flowing, in increasing amounts, across the border to China.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Ha Noi [VM1]  
[VM]

**Indicative price (Week ending Mar. 12, 2004)****Vietnam rice export prices (FOB basis) for various grades**

Grade % Broken	#1	#2	#3	#4	#5	#6	#7	Period Averages	
								Current Average	Previous (Mar.5)
5	212	212	215	215	217	218	218	215.29	211.43
10	208	208	210	210	212	215	215	211.14	207.42
15	205	205	206	206	208	210	210	207.14	204.00
25	202	202	202	202	204	205	205	203.14	200.57

Source: Average indicative prices from exporters

Although more than 50% of the Winter-Spring (W-S) rice crop has been harvested in the Mekong River Delta (the most important exportable rice crop), rice prices continue to soar due to high demand from rice exporters. According to Vietnam Food Association (Vietfood), many rice exporters are facing losses as domestic rice prices are much higher than signed export prices. Rice export to China via border makes the domestic rice supplies even tighter.

To deal with the problem, Vinafood advised its members not to sign any new rice export contracts for delivery in March - June period. The Association also has urged the Government of Vietnam and relevant ministries including the Ministry of Trade, Ministry of Finance, Customs Departments and Tax Department to implement strict monitoring measures on rice traded to China.

Vietnam's rice exporters have signed contracts of more than 2.0 million metric ton to be delivered in the first six months of 2004.

**Exports:**

The following are reported rice exports from Feb. 28 to Mar. 05, 2004

Week ending	Quantity	4-WK Avg.	Year to date	Year ago
Feb. 13	53,100	26,913	107,650	202,150
Feb. 20	57,350	38,400	165,000	253,300
Feb. 27	36,100	43,988	201,100	330,150
Mar. 05	68,200*	53,687	269,300	445,000

\* Not including a quantity of informal cross border trade with China which is considered as local trade

End of Report